



Approved For Release 2004/03/12 : CIA-RDP80M00165A001000080001-5
EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET

Executive Registry
77-2662

WASHINGTON, D.C. 20503

October 25, 1977

MEMORANDUM FOR HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Information on improvements in financial management

The purpose of this memorandum is to request information on agency financial management improvements during the period July 1, 1976, to September 30, 1977.

Reporting significant improvements in financial management is necessary for evaluating progress under the Joint Financial Management Improvement Program. Of equal importance is a critical evaluation of the extent to which plans for the period were carried out, and for identification of planned future actions.

Agencies should give emphasis to any problems that may be delaying the timely development and updating of systems intended to serve the needs of management more effectively. Attention should also be given to problems involving delays in submitting accounting systems to the Comptroller General for his approval as required by law.

All agencies should submit data in accordance with the guidelines set forth in the attachment. Please submit an original and four copies not later than November 30, 1977. Inquiries and submissions should be addressed to:

Executive Director
Joint Financial Management Improvement Program
666 Eleventh Street, N.W.
Suite 705
Washington, D.C. 20001

James T. McIntyre, Jr.
James T. McIntyre, Jr.
Acting Director

Attachment

(EXECUTIVE REGISTRY FILE

J-5

FINANCIAL MANAGEMENT IMPROVEMENT PROGRAM
REPORTING INSTRUCTIONS AND GUIDELINES

GENERAL GUIDELINES

Each agency should select its most significant financial management improvements that were completed during the period July 1, 1976, to September 30, 1977, and submit a report in the format of the attached Exhibits. Improvements installed during prior years, properly identified as such, may also be included provided the resulting operating and managerial gains were initially realized during the period which the report covers. In those instances where the agency report is based on several bureaus, content of the report is to be developed in accordance with the guidelines set forth below.

SCHEDULE A, SIGNIFICANT ACCOMPLISHMENTS AND FUTURE PLANS

Significant improvements, problems addressed, and resulting benefits should be described in a narrative presentation. There is no prescribed format for this report. The submission should also identify the name and telephone number of an individual to whom requests for more specific information on the improvements can be directed.

Some suggested areas of improvement which may be covered are listed below:

- Adoption of cost-based budgeting practices for presentation of budget requests.
- Effective use of operating budgets and quantitative measures of performance.
- Synchronizing classifications for programming, budgeting, accounting, reporting, and control.
- Actions taken or planned to install effective accrual accounting practices, and obtain Comptroller General approval of agency accounting systems.
- Actions taken or planned to increase the effectiveness of audits.
- Application of statistical sampling techniques to financial operations.

- Adaptation of systems originally developed by another agency.
- Improved use of ADP, computer output microfilm, communications equipment, etc., for financial management.
- Improvements in cash management, including forecasting, collections, and use of letters of credit or other improved disbursement procedures.
- Actions taken or planned in the recruitment and training of financial personnel.
- Improved programs for financial management education.
- Development of other improvements in financial management systems.

Each narrative statement should include a description of the agency's future plans for further improvements. These statements should be related to the improvement being described and should include a realistic target date.

SCHEDULE B, STATUS INFORMATION

This section of the report identifies the status of agency efforts to modernize accounting systems, as contemplated by the Budget and Accounting Procedures Act of 1950, as amended by Public Law 84-863. For each agency in which those requirements have not been met, the status tabulation described below should provide firm target dates that reflect positive plans for full compliance, and represent a realistic commitment by the agency to attain the desired objectives within the specified time period. In this connection, any postponement of target dates from those reported in the previous year should be explained under "Remarks" and will include the reasons for the slippage in schedule and the action being taken to avoid similar problems with respect to the new target date. Footnotes without target dates and entries such as "Indefinite" or "Not planned" will not be sufficient. The status tabulation in the Exhibit is to be completed by each agency as of September 30, 1977.

Column (a). This will identify the organization, accounting entity, or both, for which information is submitted. The entries are to cover both complete systems and segments of systems.

For all systems where formal approval of the documentation of the complete systems in operation was obtained from the Comptroller General prior to October 16, 1969, and the system has not been scheduled for resubmission, enter the approval date (month and year) in column (d) along with the notation "CG" to indicate that the system in operation was approved by the Comptroller General.

For all systems other than those approved prior to October 16, 1969, a two-stage submission for approval by the Comptroller General is required.

Columns (b) and (c). Reflect the dates of approval, if applicable, for each of the present two formal approval stages. The notation "CG" should be inserted preceding the date to indicate approval.

Specify, where applicable, the date each such stage was submitted to the Comptroller General if it has not been formally approved or disapproved. The notation "Sub." should be inserted preceding the date to indicate a formal submission.

Identify the agency target dates for submission of the respective stages to the Comptroller General, where formal submission has not yet been made. The notation "Tgt." should be inserted to indicate that the date is a target for submission.

Where a previous submission has been withdrawn by an agency or returned as unapproved by the Comptroller General, or where previously approved systems have been or will be substantially changed, new target dates for submission of the principles and standards and system design should be provided. For accounting systems not legally subject to approval by the Comptroller General, the entry "Not applicable" will be shown.

Column (d). Reflect the status of implementation of the approved system design. When the agency head has determined that the system is installed and operating as approved, insert "In opn." and the date. If not yet installed or fully operating as approved, insert the target date (month and year) for completion of the installation. The notation "Tgt." should be inserted for identification of the date as a target.

Remarks. Provide any necessary explanation of the tabular entries. Such explanations should be identified, as appropriate, with the line item in the tabulation. The tabular entries and the supporting remarks should indicate clearly the degree to which each organization has progressed in developing its financial management system to meet the requirements of the Budget and Accounting Procedures Act of 1950, as amended.

SCHEDULE A

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FINANCIAL MANAGEMENT IMPROVEMENT PROGRAM
AGENCY REPORT AS OF SEPTEMBER 30, 1977

Significant Accomplishments and Future Plans

Agency _____ Date _____

(Report is to be presented in narrative form
with no prescribed format.)

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FINANCIAL MANAGEMENT IMPROVEMENT PROGRAM
AGENCY REPORT AS OF SEPTEMBER 30, 1977,
STATUS OF ACCOUNTING SYSTEMS APPROVALS

Organization and/or Accounting Entity	Status of Approvals by the Comptroller General		System in Operation
	Principles and Standards	Accounting System Design	
(a)	(b)	(c)	(d)

Remarks:

	UNCLASSIFIED		CONFIDENTIAL		SECRET
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EXECUTIVE SECRETARIAT

Routing Slip

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Date _____

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JOINT FINANCIAL MANAGEMENT IMPROVEMENT PROGRAM

666 ELEVENTH STREET, N.W.
SUITE 705
WASHINGTON, D.C. 20001
TELEPHONE (202) 376-5415

JAN 14 1977

The Honorable George Bush
Director
Central Intelligence Agency

Dear Mr. Bush:

Thank you for nominating [redacted] for the Financial Management Improvement Award sponsored by the Joint Financial Management Improvement Program. The JFMIP congratulates [redacted] on his nomination and for his achievements in financial management.

[redacted] was not selected to receive the Financial Management Improvement Award this year, but I am sure that he will continue his outstanding contributions to the financial management community.

I am enclosing a brochure on the February 7 conference. I hope a number of Central Intelligence Agency employees will be able to attend.

Sincerely yours,

Donald C. Kull

Donald C. Kull
Executive Director

Enclosure

UNCLASSIFIED	CONFIDENTIAL	SECRET
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EXECUTIVE SECRETARIAT

Routing Slip

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14	D/S				
15	DTR				
16	Asst/DCI				
17	AO/DCI				
18	C/IPS				
19	DCI/SS				
20	D/EE0				
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SUSPENSE

Date

Remarks:

3637 (7-76)

D/

18-1-77

Date

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